

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

CITY OF AURORA, ILLINOIS

**Application for a certificate of
local and interexchange authority
to operate as a reseller and facilities
based carrier of telecommunications
services in Will, DuPage, Kane
and Kendall Counties in the
State of Illinois.**

§
§
§
§
§
§
§
§

DOCKET NO. 06-0702

AURORA EXHIBIT 2.01

**EXCERPTS FROM AURORA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR YEAR ENDED DECEMBER 31, 2005**

OFFICIAL FILE

I.C.C. DOCKET NO. 06-0702
Aurora Exhibit No. 2.01
Witness _____
Date 11/30/06 Recorder TR

CITY OF AURORA, ILLINOIS

STATEMENT OF NET ASSETS

December 31, 2005

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Aurora Public Library
ASSETS				
Cash and Investments	\$ 117,769,830	\$ 11,023,177	\$ 128,793,007	\$ 6,019,320
Restricted Cash and Investments	4,188,268	12,255,354	16,443,622	191,908
Receivables, Net of Allowance Where Applicable				
Property Taxes				
General and Pension Levies	58,375,927	-	58,375,927	8,818,582
Special Service Areas Levies	1,136,545	-	1,136,545	-
Other Taxes	15,480,181	-	15,480,181	-
Utility Customers	-	4,489,373	4,489,373	-
Loans Receivable	3,189,271	-	3,189,271	-
Rental Fees	117,044	-	117,044	-
Development Participation	9,381,838	-	9,381,838	-
Miscellaneous	7,685,069	-	7,685,069	39,290
Inventory	-	135,851	135,851	-
Due from Other Governments	6,223,273	131,403	6,354,676	193,513
Due from Component Unit	1,850,863	-	1,850,863	-
Advance to Component Unit	1,547,906	-	1,547,906	-
Deferred Charges/Prepaid Cost	615,619	113,183	728,802	100,821
Unamortized Loss of Refunding	771,742	-	771,742	-
Capital Assets				
Non-depreciable	128,682,550	10,123,888	138,806,438	3,800
Depreciable (Net of Accumulated Depreciation)	223,465,719	162,211,569	385,677,288	8,878,070
Total Assets	580,481,645	200,483,798	780,965,443	24,245,304
LIABILITIES				
Accounts Payable	8,035,979	1,696,659	9,732,638	206,653
Accrued Payroll	6,989,307	335,652	7,324,959	197,408
Retainage Payable	676,523	136,671	813,194	-
Accrued Interest Payable	1,013,804	231,586	1,245,390	71,908
Unearned Property Taxes	59,246,254	-	59,246,254	8,776,123
Other Unearned Revenue	9,084,174	425,009	9,509,183	30,429
Due to Fiduciary Funds	57,747	-	57,747	-
Due to Other Governments	800,438	-	800,438	-
Deposits Payable	1,386,950	402,708	1,789,658	-
Due to Primary Government	-	-	-	135,000
Advance from Primary Government	-	-	-	1,547,906
Noncurrent Liabilities				
Due Within One Year	12,942,763	753,329	13,696,092	593,941
Due in more than One Year	138,585,721	23,556,719	162,142,440	5,633,922
Unamortized Bond Premium	317,061	-	317,061	-
Total Liabilities	239,136,721	27,538,333	266,675,054	17,193,290
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	274,467,955	151,939,800	426,407,755	2,654,007
Restricted for:				
Working Cash	400,000	-	400,000	-
Redevelopment	6,765,562	-	6,765,562	-
Streets and Transportation	14,194,381	-	14,194,381	-
Public Safety	7,766,033	-	7,766,033	-
Debt Service	24,152,780	12,255,354	36,408,134	42,875
Unrestricted	13,598,215	8,750,311	22,348,524	4,355,132
TOTAL NET ASSETS	\$ 341,344,924	\$ 172,945,465	\$ 514,290,389	\$ 7,052,014

See accompanying notes to the financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2005

FUNCTIONS/PROGRAMS	Program Revenues			
	Expenses	Charges for Services	Operating Grants	Capital Grants
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 18,783,587	\$ 4,474,379	\$ 30,462	\$ -
Public Safety	86,122,747	4,638,184	801,755	57,121
Streets and Transportation	25,246,001	486,212	4,802,255	1,710,614
Health and Welfare	8,193,362	3,085,744	2,212,299	-
Culture and Recreation	9,476,161	1,879,346	348,946	337,297
Sanitation	483,683	21,279	-	-
Economic Development	5,389,849	132,389	51,272	-
Interest	3,978,610	-	-	-
Total Governmental Activities	157,674,000	14,717,533	8,246,989	2,105,032
Business-Type Activities				
Water and Sewer	22,980,401	28,051,854	-	131,403
Downtown Parking	1,653,091	1,145,685	-	-
Commuter Parking	1,895,792	1,647,191	-	-
Golf Operations	2,621,591	1,994,998	-	-
Total Business-Type Activities	29,150,875	32,839,728	-	131,403
TOTAL PRIMARY GOVERNMENT	\$ 186,824,875	\$ 47,557,261	\$ 8,246,989	\$ 2,236,435
COMPONENT UNIT				
Aurora Public Library	\$ 7,523,449	\$ 203,383	\$ 241,222	\$ 5,955

Net (Expense) Revenue and Change in Net Assets				
Primary Government				Component Unit
Governmental Activities	Business-Type Activities	Total		Aurora Public Library
\$ (14,278,746)	\$ -	\$ (14,278,746)	\$ -	-
(80,625,687)	-	(80,625,687)	-	-
(18,246,920)	-	(18,246,920)	-	-
(2,895,319)	-	(2,895,319)	-	-
(6,910,572)	-	(6,910,572)	-	-
(462,404)	-	(462,404)	-	-
(5,206,188)	-	(5,206,188)	-	-
(3,978,610)	-	(3,978,610)	-	-
(132,604,446)	-	(132,604,446)	-	-
-	5,202,856	5,202,856	-	-
-	(507,406)	(507,406)	-	-
-	(248,601)	(248,601)	-	-
-	(626,593)	(626,593)	-	-
-	3,820,256	3,820,256	-	-
(132,604,446)	3,820,256	(128,784,190)	-	-
-	-	-	(7,072,889)	-
General Revenues				
Taxes				
Property and Replacement	57,708,745	-	57,708,745	8,643,943
Sales	37,912,528	-	37,912,528	-
Utility	10,171,077	-	10,171,077	-
Income	11,735,935	-	11,735,935	-
Real Estate Transfer	4,736,179	-	4,736,179	-
Food and Beverage Tax	4,135,344	-	4,135,344	-
Gaming Tax	13,661,653	-	13,661,653	-
Hotel/Motel	314,629	-	314,629	-
Other	511,905	-	511,905	-
Investment Income	2,842,966	429,018	3,271,984	185,542
Miscellaneous	1,587,358	2,349	1,589,707	103,953
Contributions	19,299,416	4,391,632	23,691,048	-
Transfers	(620,000)	620,000	-	-
Total	163,997,735	5,442,999	169,440,734	8,933,438
CHANGE IN NET ASSETS	31,393,289	9,263,255	40,656,544	1,860,549
NET ASSETS, JANUARY 1	309,951,635	163,682,210	473,633,845	5,191,465
NET ASSETS, DECEMBER 31	\$ 341,344,924	\$ 172,945,465	\$ 514,290,389	\$ 7,052,014

See accompanying notes to the financial statements.

CITY OF AURORA, ILLINOIS

BALANCE SHEET

GOVERNMENTAL FUNDS

December 31, 2005

	General	Debt Service	Gaming Tax	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Investments	\$ 23,383,630	\$ 7,040,316	\$ 7,432,407	\$ 57,811,490	\$ 95,667,843
Restricted Cash and Investments	-	4,188,268	-	-	4,188,268
Receivables, Net of Allowance					
Where Applicable					
Property Taxes					
General and Pension Levies	54,415,927	3,960,000	-	-	58,375,927
Special Service Areas Levies	-	-	-	1,136,545	1,136,545
Other Taxes	13,532,399	-	1,532,547	415,235	15,480,181
Loans Receivable	300,000	-	278,125	3,637,890	4,216,015
Rental Fees	-	-	-	117,044	117,044
Development Participation	-	10,600,358	-	-	10,600,358
Miscellaneous	6,311,975	-	16,999	917,145	7,246,119
Due from Other Governments	456,153	2,630,919	250,982	2,885,219	6,223,273
Due from Component Unit	-	1,850,863	-	-	1,850,863
Due from Other Funds	-	-	-	2,568,575	2,568,575
Advances to Component Unit	-	-	1,547,906	-	1,547,906
Advances to Other Funds	-	-	442,802	-	442,802
TOTAL ASSETS	\$ 98,400,084	\$ 30,270,724	\$ 11,501,768	\$ 69,489,143	\$ 209,661,719

	General	Debt Service	Gaming Tax	Other Governmental Funds	Total Governmental Funds
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 4,477,806	\$ -	\$ 1,163,554	\$ 2,182,185	\$ 7,823,545
Accrued Payroll	6,972,902	-	-	13,431	6,986,333
Retainage Payable	-	-	-	676,523	676,523
Accrued Interest Payable	-	853,268	-	160,536	1,013,804
Deposits Payable	1,377,750	-	-	9,200	1,386,950
Deferred Property Taxes	54,150,277	3,960,000	-	1,135,977	59,246,254
Other Deferred Revenue	6,279,377	14,947,140	254,475	5,521,986	27,002,978
Due to Other Funds	10,610,000	-	400,000	2,168,575	13,178,575
Due to Fiduciary Funds	57,747	-	-	-	57,747
Due to Other Governments	368,124	-	314,925	117,389	800,438
Advances from Other Funds	-	-	-	442,802	442,802
General Obligation Bonds Payable	-	3,335,000	-	200,000	3,535,000
Total Liabilities	84,293,983	23,095,408	2,132,954	12,628,604	122,150,949
FUND BALANCES					
Reserved for Debt Service	-	7,175,316	-	1,303,924	8,479,240
Reserved for Working Cash	-	-	-	400,000	400,000
Reserved for Non-Current Receivables	300,000	-	2,268,833	-	2,568,833
Reserved for Redevelopment	-	-	-	6,765,562	6,765,562
Reserved for Streets and Transportation	-	-	-	14,194,381	14,194,381
Reserved for Public Safety	-	-	-	7,766,033	7,766,033
Unreserved					
General Fund	13,806,101	-	-	-	13,806,101
Special Revenue Funds	-	-	7,099,981	528,674	7,628,655
Capital Projects Funds	-	-	-	25,901,965	25,901,965
Total Fund Balances	14,106,101	7,175,316	9,368,814	56,860,539	87,510,770
TOTAL LIABILITIES AND FUND BALANCES	\$ 98,400,084	\$ 30,270,724	\$ 11,501,768	\$ 69,489,143	\$ 209,661,719

See accompanying notes to the financial statements.

CITY OF AURORA, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET ASSETS

December 31, 2005

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 87,510,770
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	352,148,269
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds	15,673,540
Issuance costs and premiums on long-term liabilities and gains and losses on debt refundings are capitalized and amortized at the entity-wide level	1,070,300
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Total governmental activities	(147,993,484)
Less amounts included in internal service funds below	20,622,952
The net assets of the internal service funds are included in the governmental activities in the statement of net assets	<u>12,312,577</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 341,344,924</u>

See accompanying notes to the financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended December 31, 2005

	General	Debt Service	Gaming Tax	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes	\$ 50,090,162	\$ -	\$ -	\$ 5,362,478	\$ 55,452,640
Other Taxes	64,867,459	4,736,179	13,661,653	4,102,117	87,367,408
Intergovernmental	1,208,548	1,900,000	214,579	8,742,797	12,065,924
Licenses, Fees and Permits	3,383,384	-	-	501,769	3,885,153
Charges for Services	3,606,906	-	-	3,293,363	6,900,269
Fines and Forfeits	1,808,794	-	-	-	1,808,794
Development Participation	-	1,574,852	-	-	1,574,852
Investment Income	552,430	329,513	325,246	1,635,777	2,842,966
Other	292,452	-	-	1,131,650	1,424,102
Total Revenues	125,810,135	8,540,544	14,201,478	24,769,951	173,322,108
EXPENDITURES					
Current					
General Government	13,568,345	-	1,833,763	190,629	15,592,737
Public Safety	73,340,236	-	-	729,104	74,069,340
Streets and Transportation	12,125,477	-	3,587,026	3,783,292	19,495,795
Health and Welfare	3,418,313	-	599,203	3,646,249	7,663,765
Culture and Recreation	6,747,664	-	2,296,922	-	9,044,586
Sanitation	441,252	-	-	-	441,252
Economic Development	3,886,660	-	114,126	644,659	4,645,445
Capital Outlay	-	-	-	20,645,087	20,645,087
Debt Service	-	-	-	-	-
Principal	-	7,350,000	-	1,253,799	8,603,799
Interest	-	3,485,695	-	591,282	4,076,977
Total Expenditures	113,527,947	10,835,695	8,431,040	31,484,101	164,278,783
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	12,282,188	(2,295,151)	5,770,438	(6,714,150)	9,043,325

OTHER FINANCING SOURCES (USES)

	General	Debt Service	Gaming Tax	Other Governmental Funds	Total Governmental Funds
Transfers In	\$ -	\$ 2,604,700	\$ -	\$ 8,008,203	\$ 10,612,903
Transfers (Out)	(11,963,178)	-	(9,420,060)	(1,799,665)	(23,182,903)
Promissory Note Issued	-	-	-	4,360,000	4,360,000
Bonds Issued	-	-	-	5,705,000	5,705,000
Premium on Bonds Issued	-	-	-	84,866	84,866
Section 108 Loans Issued	-	-	-	150,000	150,000
Total Other Financing Sources (Uses)	(11,963,178)	2,604,700	(9,420,060)	16,508,404	(2,270,134)
NET CHANGE IN FUND BALANCES	319,010	309,549	(3,649,622)	9,794,254	6,773,191
FUND BALANCES, JANUARY 1	13,787,091	6,865,767	13,018,436	47,066,285	80,737,579
FUND BALANCES, DECEMBER 31	\$ 14,106,101	\$ 7,175,316	\$ 9,368,814	\$ 56,860,539	\$ 87,510,770

See accompanying notes to the financial statements.

CITY OF AURORA, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2005

NET CHANGE IN FUND BALANCES -	
TOTAL GOVERNMENTAL FUNDS	\$ 6,773,191
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures, however, they are capitalized and depreciated in the statement of activities	13,980,926
Contributions of capital assets are reported only in the statement of activities	19,299,416
The issuance of long-term debt is reported as another financing source in governmental funds but as an increase of principal outstanding in the statement of activities	(10,299,866)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	16,005,390
Changes in net pension assets/obligations are reported only in the statement of activities	(390,506)
Changes in net other post employment benefits obligations are reported only in the statement of activities	(11,440,180)
Revenues in the statement of activities that are not available in governmental funds are not reported as revenue in governmental funds until received	(2,934,235)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Depreciation	(8,156,481)
Loss on disposal of capital assets	(2,134,703)
The net revenue of internal service funds is reported with governmental activities	<u>10,690,337</u>
CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 31,393,289</u>

See accompanying notes to the financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF NET ASSETS

PROPRIETARY FUNDS

December 31, 2005

	Business-Type Activities			Governmental Activities
	Water and Sewer Fund	Other Enterprise Funds	Total	Internal Service Funds
CURRENT ASSETS				
Cash and Investments	\$ 7,761,616	\$ 3,261,561	\$ 11,023,177	\$ 22,101,987
Restricted Cash and Investments	11,681,657	573,697	12,255,354	-
Receivables				
Accounts, Net of Allowance	4,149,983	339,390	4,489,373	-
Miscellaneous	-	-	-	438,950
Due from Other Governments	131,403	-	131,403	-
Inventory	135,851	-	135,851	-
Due from Other Funds	-	400,000	400,000	14,162,193
Total Current Assets	23,860,510	4,574,648	28,435,158	36,703,130
NONCURRENT ASSETS				
Deferred Charges	53,895	59,288	113,183	-
Capital Assets				
Non-depreciable	7,119,343	3,004,545	10,123,888	-
Depreciable (Net of Accumulated Depreciation)	142,580,242	19,631,327	162,211,569	-
Total Capital Assets	149,699,585	22,635,872	172,335,457	-
Total Noncurrent Assets	149,753,480	22,695,160	172,448,640	-
Total Assets	173,613,990	27,269,808	200,883,798	36,703,130
CURRENT LIABILITIES				
Accounts Payable	1,570,308	126,351	1,696,659	212,434
Accrued Payroll	261,668	73,984	335,652	2,974
Retainage Payable	130,826	5,845	136,671	-
Accrued Interest Payable	95,956	135,630	231,586	-
Other Deferred Revenue	-	425,009	425,009	-
Claims Payable	-	-	-	2,088,373
Compensated Absences Payable	69,310	17,007	86,317	550,129
Due to Other Funds	-	400,000	400,000	3,552,193
Bonds Payable, Due Within One Year	517,012	150,000	667,012	-
Total Current Liabilities	2,645,080	1,333,826	3,978,906	6,406,103
NONCURRENT LIABILITIES				
Deposits Payable	394,286	8,422	402,708	-
Compensated Absences Payable	1,316,890	323,133	1,640,023	10,452,458
Other Post-Employment Benefits Obligation	1,476,739	711,312	2,188,051	-
Claims Payable	-	-	-	7,531,992
Illinois EPA Loan Payable	8,578,645	-	8,578,645	-
Bonds Payable (Less Current Portion)	7,000,000	4,150,000	11,150,000	-
Total Noncurrent Liabilities	18,766,560	5,192,867	23,959,427	17,984,450
Total Liabilities	21,411,640	6,526,693	27,938,333	24,390,553
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	133,603,928	18,335,872	151,939,800	-
Restricted for Debt Service	11,681,657	573,697	12,255,354	-
Unrestricted	6,916,765	1,833,546	8,750,311	12,312,577
TOTAL NET ASSETS	\$ 152,202,350	\$ 20,743,115	\$ 172,945,465	\$ 12,312,577

See accompanying notes to the financial statements.

CITY OF AURORA, ILLINOIS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS

PROPRIETARY FUNDS

For the Year Ended December 31, 2005

	Business-Type Activities			Governmental Activities
	Water and Sewer Fund	Other Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES				
Charges for Services	\$ 28,051,854	\$ 4,787,209	\$ 32,839,063	\$ 20,803,632
Other	-	665	665	-
Total Operating Revenues	28,051,854	4,787,874	32,839,728	20,803,632
OPERATING EXPENSES EXCLUDING DEPRECIATION				
Personnel Services	7,978,068	3,064,092	11,042,160	-
Materials and Supplies	3,818,787	912,617	4,731,404	-
Other Services and Charges	6,831,001	1,097,242	7,928,243	22,489,306
Miscellaneous	295,289	67,451	362,740	-
Intergovernmental	34,554	-	34,554	-
Total Operating Expenses Excluding Depreciation	18,957,699	5,141,402	24,099,101	22,489,306
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	9,094,155	(353,528)	8,740,627	(1,685,674)
DEPRECIATION	3,342,414	752,954	4,095,368	-
OPERATING INCOME (LOSS)	5,751,741	(1,106,482)	4,645,259	(1,685,674)
NONOPERATING REVENUES (EXPENSES)				
Investment Income	331,128	97,890	429,018	426,011
State and Federal Grants	131,403	-	131,403	-
Gain (Loss) on Sale of Property	(31,818)	-	(31,818)	-
Recovery of Cost	2,349	-	2,349	-
Amortization Expense	(8,292)	(4,108)	(12,400)	-
Interest Expense	(640,178)	(272,010)	(912,188)	-
Total Nonoperating Revenues (Expenses)	(215,408)	(178,228)	(393,636)	426,011
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	5,536,333	(1,284,710)	4,251,623	(1,259,663)
TRANSFERS				
Transfers In	-	1,620,000	1,620,000	14,550,000
Transfers (Out)	(1,000,000)	-	(1,000,000)	(2,600,000)
Total Transfers	(1,000,000)	1,620,000	620,000	11,950,000
CONTRIBUTIONS	4,360,013	31,619	4,391,632	-
CHANGE IN NET ASSETS	8,896,346	366,909	9,263,255	10,690,337
NET ASSETS, JANUARY 1	143,306,004	20,376,206	163,682,210	1,622,240
NET ASSETS, DECEMBER 31	\$ 152,202,350	\$ 20,743,115	\$ 172,945,465	\$ 12,312,577

See accompanying notes to the financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended December 31, 2005

	Business-Type Activities			Governmental Activities
	Water and Sewer Fund	Other Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ 27,731,965	\$ 4,812,976	\$ 32,544,941	\$ 4,574,298
Receipts from Interfund Services	-	-	-	16,653,000
Receipts from Miscellaneous Revenues	-	665	665	-
Payments to Suppliers	(10,419,585)	(2,071,522)	(12,491,107)	(23,454,994)
Payments to Employees	(7,178,322)	(2,718,651)	(9,896,973)	(846,450)
Net Cash from Operating Activities	10,134,058	23,468	10,157,526	(3,074,146)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Recovery of Costs	2,349	-	2,349	-
Due to/from Other Funds	-	-	-	4,944,465
Advance to/from Other Funds	-	(1,245,000)	(1,245,000)	-
Transfers In	-	1,620,000	1,620,000	1,340,000
Transfers (Out)	(1,000,000)	-	(1,000,000)	-
Net Cash from Noncapital Financing Activities	(997,651)	375,000	(622,651)	6,284,465
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Property, Plant and Equipment Acquired or Constructed	(3,778,957)	(175,236)	(3,954,193)	-
Proceeds from Sale of Property	1,800	-	1,800	-
Principal Paid on Bonds and Illinois EPA Loans	(505,157)	(100,000)	(605,157)	-
Interest and Fiscal Agents' Fees	(643,548)	(275,510)	(919,058)	-
Net Cash from Capital and Related Financing Activities	(4,925,862)	(550,746)	(5,476,608)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from Sale and Maturities on Investment Securities	8,220,000	-	8,220,000	-
Purchase of Investment Securities	(13,438,133)	(836,380)	(14,274,513)	(5,413,297)
Interest on Investments	18,591	86,413	105,004	37,276
Net Cash from Investing Activities	(5,199,542)	(749,967)	(5,949,509)	(5,376,021)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(988,997)	(902,245)	(1,891,242)	(2,165,702)
CASH AND CASH EQUIVALENTS, JANUARY 1	3,429,772	3,200,966	6,630,738	3,879,496
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 2,440,775	\$ 2,298,721	\$ 4,739,496	\$ 1,713,794

(This statement is continued on the following page.)

CITY OF AURORA, ILLINOIS
STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS
For the Year Ended December 31, 2005

	Business-Type Activities			Governmental Activities
	Water and Sewer Fund	Other Enterprise Funds	Total	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 5,751,741	\$ (1,106,482)	\$ 4,645,259	\$ (1,685,674)
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities				
Depreciation	3,342,414	752,954	4,095,368	-
(Increase) Decrease in				
Accounts Receivable	(344,337)	(10,545)	(354,882)	423,666
Inventory	96,587	83,842	180,429	-
Increase (Decrease) in				
Accounts Payable	463,459	(78,054)	385,405	113,644
Accrued Payroll	3,483	(5,335)	(1,852)	-
Claims Payable	-	-	-	(2,635,669)
Other Deferred Revenue	-	36,712	36,712	-
Deposits	24,448	(400)	24,048	-
Compensated Absences	151,400	13,240	164,640	709,887
Other Post-Employment Benefits Obligation	644,863	337,536	982,399	-
NET CASH FROM OPERATING ACTIVITIES	\$ 10,134,058	\$ 23,468	\$ 10,157,526	\$ (3,074,146)
CASH AND INVESTMENTS				
Cash	\$ 2,440,775	\$ 2,298,721	\$ 4,739,496	\$ 1,713,794
Investments	17,002,498	1,536,537	18,539,035	20,388,193
TOTAL CASH AND INVESTMENTS	\$ 19,443,273	\$ 3,835,258	\$ 23,278,531	\$ 22,101,987
NON-CASH TRANSACTIONS				
Contributions of Capital Assets	\$ 4,360,013	\$ 31,619	\$ 4,391,632	\$ -
Transfers	-	-	-	10,610,000
Unrealized Gain (Loss) on Investments	(87,908)	-	(87,908)	(126,338)
TOTAL NON-CASH TRANSACTIONS	\$ 4,272,105	\$ 31,619	\$ 4,303,724	\$ 10,483,662

See accompanying notes to the financial statements.

CITY OF AURORA, ILLINOIS
STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

December 31, 2005

	Pension Trust Funds	Agency Funds
<hr/>		
ASSETS		
Cash and Short-Term Investments	\$ 30,492	\$ 43,627
Investments, at Fair Value		
Money Market Mutual Funds	10,786,787	-
U.S. Treasury Securities	40,455,260	-
U.S. Agency Securities	43,504,467	-
Corporate Equity Securities	47,280,875	-
Equity Mutual Funds	30,501,135	-
Accrued Interest	1,094,571	-
Receivables		
Miscellaneous	8,628	-
Due from General Fund	57,747	-
	<hr/>	<hr/>
Total Assets	173,719,962	43,627
	<hr/>	<hr/>
LIABILITIES		
Accounts Payable	134,546	-
Due to Others	-	43,627
	<hr/>	<hr/>
Total Liabilities	134,546	43,627
	<hr/>	<hr/>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	<u>\$ 173,585,416</u>	<u>\$ -</u>

See accompanying notes to the financial statements.

CITY OF AURORA, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION TRUST FUNDS

For the Year Ended December 31, 2005

ADDITIONS

Contributions

Employer Contributions	\$ 8,998,497
Employee Contributions	<u>3,797,605</u>

Total Contributions	<u>12,796,102</u>
---------------------	-------------------

Investment Income

Net Appreciation in Fair Value of Investments	23,952
Interest	<u>6,664,934</u>

Total Investment Income	6,688,886
Less Investment Expense	<u>(753,812)</u>

Net Investment Income	<u>5,935,074</u>
-----------------------	------------------

Total Additions	<u>18,731,176</u>
-----------------	-------------------

DEDUCTIONS

Benefits	10,192,189
Administrative Expenses	<u>104,552</u>

Total Deductions	<u>10,296,741</u>
------------------	-------------------

NET INCREASE	8,434,435
--------------	-----------

NET ASSETS HELD IN TRUST
FOR PENSION BENEFITS

January 1	<u>165,150,981</u>
-----------	--------------------

December 31	<u><u>\$ 173,585,416</u></u>
-------------	------------------------------

See accompanying notes to the financial statements.